

**Summary Minutes**  
**Inland Waterways Users Board Meeting No. 58**  
**July 31, 2008**  
**Walla Walla, Washington**

Brigadier General William E. Rapp, Division Commander of the Northwestern Division of the U.S. Army Corps of Engineers (Corps) began the day's meeting by welcoming the members of the Inland Waterways Users Board (the Board), the Deputy Commanding General of the Corps, Major General Don T. Riley, Assistant Secretary of the Army for Civil Works, the Honorable John Paul Woodley, Jr, and other guests to the Walla Walla area. BG Rapp identified the major issues facing the Nation's inland navigation system, and to a greater extent, the entire physical infrastructure of the nation, those being scarce and limited financial resources, aging infrastructure, and competing demands for those limited financial resources. BG Rapp discussed the ongoing efforts of the Northwestern Division to identify those dams within the Division as being at risk, as part of the larger Corps effort to assess and prioritize repair work to its national portfolio of dams. BG Rapp identified the complexities of operating the Columbia-Snake River System for its authorized multiple purposes while simultaneously meeting Endangered Species Act (ESA) and treaty requirements. BG Rapp identified the regional and national economic significance of the Columbia-Snake River System, the need to understand the upriver and downriver impacts of the Corps work, and the importance of developing sustainable solutions for the navigation system compatible with ESA responsibilities.

At the conclusion of BG Rapp's opening remarks, Mr. Mark Pointon, Executive Secretary of the Board called the meeting to order. Mr. Pointon made introductory remarks including a note of thanks to the Walla Walla District for organizing a fascinating tour of the Lower Monumental Lock and Dam the previous day. Mr. Pointon indicated that the [Federal Register announcement](#) for new members to the Board will remain open until the 15<sup>th</sup> of September.

Mr. Royce Wilken, Chairman of the Board, then asked Major General Riley, Deputy Commanding General of the Corps and Executive Director of the Board to offer opening remarks. MG Riley thanked the members of the Board and others in attendance for gathering to discuss these very important issues facing the inland navigation system.

MG Riley welcomed Ms. Susan Diehl of Holcim (US) Inc. who was substituting for Board member Mr. Jeff Brehmer, who was unable to attend the meeting. MG Riley also recognized the Federal observers who were in attendance at the meeting, the Honorable John P. Woodley, Jr., Assistant Secretary of the Army for Civil Works and Mr. Alan Bunn of the National Oceanic and Atmospheric Administration (NOAA). MG Riley also recognized the Corps commanders who were in attendance, Lieutenant Colonel (LTC) Mike Farrell of the Walla Walla District, Colonel Dana Hurst of the Huntington District, Colonel Steven Miles of the Portland District, and Colonel Jeff Smith, Division Commander from the Great Lakes and Ohio River Division. MG Riley also thanked Mr.

Witt Anderson, Director of the Programs Division at the Northwestern Division and Mr. Gary Loew of the Corps Headquarters Programs Integration Division office for their participation at the meeting. MG Riley thanked BG Rapp and the members of the Division staff and LTC Farrell and the members of the District staff for organizing and putting together the tour of the Lower Monumental Lock and Dam and the Board meeting. Also MG Riley thanked Ms. Kristin Meira of the Pacific Northwest Waterways Association (PNWA) for their valuable participation during the activities associated with the Board meeting.

Each of the Federal observers offered brief introductory remarks. Mr. Bunn thanked the Board for the opportunity to attend the meeting and indicated that in response to Hurricane Dolly which hit the Texas Gulf Coast, NOAA and the Corps had just completed survey work of a number of ports along the Gulf Intracoastal Waterway, and reported that the ports along the Texas Gulf coast were open and operating normally.

Secretary Woodley began his remarks by noting that Walla Walla is the smallest city in the Nation to serve as a host city for a Corps of Engineers district office. Secretary Woodley remarked that he was delighted to be in attendance at the Board meeting. Secretary Woodley said that since the last Board meeting in March held in Baton Rouge, the Congressional Appropriations subcommittees have responded to the President's Fiscal Year (FY) 2009 Corps of Engineers budget by beginning action on their versions of the FY 2009 Energy and Water appropriations bills. Secretary Woodley urged the members of the Board and the Corps to work together and with the leadership in Congress to find the way forward to address the financial condition of the Inland Waterways Trust Fund and arrive at a solution so that the Corps can continue its mission of modernizing and improving the inland waterway system.

Board Chairman Royce Wilken thanked BG Rapp and LTC Farrell for the excellent work done on the tour to Lower Monumental Lock and Dam, and also remarked at how impressed he was with all of the individuals from the waterway community, from Lewiston, Idaho to Portland, Oregon, who were in attendance for the activities associated with the Board's visit to the Pacific Northwest.

Chairman Wilken then asked for a motion to approve the minutes from Inland Waterways Users Board meeting No. 57, held on March 27, 2008, in Baton Rouge, Louisiana. The minutes were approved unanimously.

Mr. David Grier of the Corps Institute for Water Resources (IWR) presented a report on the status of the Inland Waterways Trust Fund (IWTF). In terms of the status report, the IWTF began the prior year, 2007, with a balance of \$268 million, revenues of \$91 million, interest of \$10.5 million, and transfers to the Corps of \$160 million, leaving a year end balance of \$209.4 million. Revenues year to date through June came in at \$59.6 million, with interest year to date at \$4.1 million for total receipts through June of \$63.7 million. Transfers to date through June were \$123.7 million, leaving a balance of \$149.4 million. Outstanding transfer authority available to the Corps from the Treasury is \$149.9 million, leaving essentially a zero balance in June for any new obligations.

Preliminary information shows revenues in July of \$7.3 million, which would leave a balance in the Trust Fund of \$7.3 million, plus any July interest earnings.

Ms. Mary Anne Schmid from the Corps Headquarters, Programs Integration Division, presented the most recent financial data on Inland Waterways Trust Fund projects and studies. Ms. Schmid reviewed the funding levels in the House and Senate Appropriations subcommittee Energy and Water appropriations bills and compared them against the FY 2009 President's budget. One item that Ms. Schmid pointed out for the Board is that both the House and the Senate appropriations subcommittees indicate that major rehabilitation projects will not be cost shared with the Trust Fund, at least for the upcoming fiscal year.

After Ms. Schmid's presentation, Board member Matt Woodruff presented the findings of a study entitled "[A Modal Comparison of Freight Transportation Effects on the General Public.](#)" The study was co-sponsored by the National Waterways Foundation and the U.S. Maritime Administration. The study was prepared by the Texas Transportation Institute's Center for Ports and Waterways at Texas A&M University. The study examined the environmental, selected societal, and safety impacts of utilizing inland barge transportation and compared these impacts to highway and rail transportation.

The study compared the cargo carrying capacity and fuel efficiency of trucks, trains and inland river barges; compared highway, rail and inland marine freight transportation related fatalities, as well as injuries; evaluated spills as a measure of overall safety in transportation and compared them by the three modes; compared the impacts of infrastructure investment between trucks, trains and inland river transportation; examined the environmental impacts of the three modes of transportation; and illustrated the impacts of a waterways closure on the metropolitan St. Louis area and its impacts if all cargo presently shipped through St. Louis by barge was diverted to highways.

Mr. Gary Loew, Chief of the Programs Integration Division at Corps Headquarters followed Mr. Woodruff, and gave an assessment of the Inland Waterways Trust Fund, the current state of the Trust Fund, future revenue projections, and alternative scenarios given future revenue projections. Mr. Loew also presented the findings of a Corps report featuring case studies of three inland waterways projects currently under construction, including management and budgeting lessons learned and application of those findings to future project activities. With respect to the Trust Fund, Mr. Loew asked the Board to consider lock modernization consequences if there is no increase in revenues, compared with the program if revenues were sufficient to sustain construction at the level of recent years. Mr. Loew noted that HQ was setting up an Inland Navigation Program Delivery Team charged with working with the Board and Industry to find common ground on the Trust Fund revenue situation and agreement on a sustainable construction program.

Following Mr. Loew's presentation, Mr. Alan Feistner, Deputy for Programs and Project Management for the Walla Walla District gave a presentation on the status of projects on the Columbia-Snake River System.

The final presentation at the meeting was by Mr. James Hannon, Acting Chief of the Operations and Regulatory Division, Corps Headquarters, who reported on the [Inland Marine Transportation System Improvement Report](#). The report looked at identifying the best practices from both the Corps and the navigation industry to identify ways to improve the reliability of the inland marine transportation system, to establish national standards for basic procedures and training, to increase communication, to share lessons learned, to plan maintenance on a regional or system wide basis and to recognize the value of the Federal employee.

After Mr. Hannon's presentation, Chairman Wilken opened the meeting for public comments. There were no public comments made at the meeting.

After closing remarks by MG Riley and Secretary Woodley, Chairman Wilken thanked everyone for attending the meeting and the tour of Lower Monumental Lock and Dam the previous day, and then adjourned the meeting at 12:15 P.M.